



JOHN NAIMO
ACTING AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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October 7, 2014

TO: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

FROM: John Naimo 
Acting Auditor-Controller

SUBJECT: **ST. CLAIR HOSPICE, INC. DBA ANGELES VISTA HOSPICE – A
DEPARTMENT OF HEALTH SERVICES HOSPICE SERVICES
CONTRACT SERVICE PROVIDER – CONTRACT COMPLIANCE
REVIEW**

We completed a review of St. Clair Hospice, Inc. dba Angeles Vista Hospice (AVH or Contractor), a Department of Health Services (DHS) Hospice Services contract service provider. The purpose of our review was to evaluate AVH's compliance with their County contract. Our review included a review of patient files, employee personnel records, and other applicable documents.

DHS paid AVH a total of \$73,785 on a fee-for-service basis during Fiscal Year (FY) 2013-14. AVH provides hospice services for patients referred by DHS and is located in the Third Supervisorial District.

Results of Review

AVH maintained a Quality Control Plan as required, and the staff had the required qualifications. However, AVH did not always comply with all of the County contract requirements. For example, AVH:

- Inappropriately billed \$1,725 for services that were not provided due to an error made by their third-party billing company. After our review, the Contractor repaid DHS \$1,725 for the unallowable costs.

AVH's attached response indicates that they are reviewing their invoices to ensure that they are accurate.

- Did not always maintain documentation in the patient files to support that the patients received the services according to their treatment plans, and did not always comply with other contract documentation requirements.

AVH's response indicates that they transitioned from paper to electronic patient files records to prevent missing information, and hired new staff to ensure the files are complete.

- Did not always comply with personnel requirements. For example, AVH did not obtain a pre-employment physical examination for one employee and could not provide documentation of required immunizations for three employees.

AVH's response indicates that their new staff will ensure they conduct pre-employment health screenings, immunizations, and vaccinations for new employees.

- Did not comply with the employee training requirements.

AVH's response indicates that they are conducting the required training.

Details of our review, along with recommendations for corrective action, are attached.

Review of Report

We discussed our report with AVH and DHS on August 13, 2014. AVH's attached response indicates general agreement with our findings and recommendations. DHS will work with the Contractor to ensure our recommendations are implemented.

We thank AVH management and staff for their cooperation and assistance during our review. Please call me if you have any questions, or your staff may contact Don Chadwick at (213) 253-0301.

JN:AB:DC:AA:js

Attachments

c: William T Fujioka, Chief Executive Officer
Mitchell H. Katz, M.D., Director, Department of Health Services
Margaret R. Lanam, Administrator, Angeles Vista Hospice
Public Information Office
Audit Committee

**ST. CLAIR HOSPICE, INC. DBA ANGELES VISTA HOSPICE
HOSPICE SERVICES
CONTRACT COMPLIANCE REVIEW
FISCAL YEAR 2013-14**

BILLED SERVICES

Objective

Determine whether St. Clair Hospice, Inc. dba Angeles Vista Hospice (AVH or Contractor) provided the services billed to the Department of Health Services (DHS) in accordance with their County contract.

Verification

We reviewed AVH's invoices and other supporting documentation for \$64,018 (87%) of the \$73,785 that DHS paid to the Contractor during Fiscal Year 2013-14. We also reviewed medical records for five patients DHS referred to AVH.

Results

AVH inappropriately billed DHS \$1,725 for services that were not provided due to an error made by their third-party billing company. After our review, the Contractor repaid DHS \$1,725 for the unallowable costs. In addition, the Contractor did not always comply with contract documentation requirements to ensure patients' medical records were complete. Specifically, AVH did not:

- Maintain documentation for two (40%) of the five patients reviewed to support that the patients received the services according to their treatment plans. After our review, the Contractor provided documentation indicating that the required services were provided. However, AVH needs to ensure that all supporting documentation is maintained in the patient files.
- Submit a discharge notice for two (40%) patients to DHS within 30 days of discharge.
- Provide DHS with a written report of clinical findings for one (20%) patient within a day of the initial nursing assessment.

Recommendations

Angeles Vista Hospice management:

1. **Review invoices for accuracy before they are submitted to the Department of Health Services.**

- 2. Ensure services are provided according to patients' treatment plans, and maintain documentation in the patient files.**
- 3. Ensure staff submit a discharge notice to the Department of Health Services within 30 days of a patient's discharge, and provide a written report of clinical findings within a day of a patient's initial nursing assessment.**

STAFFING QUALIFICATIONS

Objective

Determine whether AVH staff had the qualifications required by their County contract.

Verification

We reviewed the personnel files for five (24%) of the 21 AVH employees who provided services to DHS patients.

Results

AVH's staff had the required qualifications.

Recommendation

None.

ADMINISTRATIVE CONTROLS/QUALITY CONTROL

Objective

Determine whether AVH was in compliance with their County contract administrative requirements. In addition, determine whether AVH maintained a comprehensive Quality Control Plan (QCP), and used the QCP to ensure that they provided the required services.

Verification

We interviewed AVH personnel, and reviewed their policies and procedures, QCP, and other applicable documents.

Results

AVH maintained an appropriate QCP. However, the Contractor did not always comply with the contract documentation requirements as indicated above and the contract personnel requirements as indicated below. In addition, AVH did not maintain the

required automobile insurance coverage. After our review, AVH obtained the required automobile insurance.

Recommendation

- 4. Angeles Vista Hospice management maintain the required automobile insurance coverage.**

PERSONNEL

Objective

Determine whether AVH complied with personnel contract requirements, and maintained personnel files as required.

Verification

We reviewed personnel files and other documentation for five (24%) of the 21 AVH staff.

Results

AVH did not always comply with the contract's personnel requirements. Specifically, for the five employees we reviewed, AVH did not:

- Obtain a pre-employment physical examination for one (20%) employee.
- Provide documentation of a pre-employment physical examination and annual health screening, including the required tuberculosis screening, for one (20%) employee.
- Provide documentation of required immunizations for three (60%) employees. AVH indicated that the immunization records were misplaced. After our review, the Contractor provided documentation of the required immunizations for one employee.
- Complete competency evaluations for one (20%) employee.

In addition, AVH did not comply with the contract training requirements. Specifically, all five employees reviewed had not attended five or more of the required annual staff development training sessions (e.g., infection control, patient safety, toxic substances, etc.).

Recommendations

Angeles Vista Hospice management:

- 5. Ensure employees complete the required pre-employment physical examinations and annual health screenings, and maintain supporting documentation.**
- 6. Obtain and maintain vaccination and immunization records for all employees.**
- 7. Ensure employees complete competency evaluations.**
- 8. Ensure staff complete the required training sessions and maintain supporting documentation.**



Angeles Vista HOSPICE

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August 18, 2014

TO: John Naimo
Acting Auditor-Controller
County of Los Angeles
500 West Temple St. Room 525
Los Angeles CA 90012-3873

CC: Jeffrey Flo
Senior Accountant-Auditor
LA County Department of Auditor-Controller

FROM: Margaret R. Lanam, R.N.
Administrator / DOPCS

SUBJECT: St. Clair Hospice, Inc. DBA Angeles Vista Hospice – A Department of Health
Services Contract Service Provider – Contract Compliance Review

Dear Sir,

We thank you for your time in visiting our agency and reviewing our records. We accept the results of your audit findings and here below are our corresponding responses and plan of actions to your compliance review letter dated August 14, 2014:

Billed Services

1. St. Clair Hospice D.B.A. Angeles Vista Hospice (AVH) is now regularly receiving, reviewing, and filing copies of invoices from the agency's external biller to ensure accuracy of charges. Angeles Vista's accounting office now observes and reviews bank transactions on a daily basis instead of the month-end bank reconciliation to capture any posting errors and to immediately take corrective actions.
2. AVH has now transitioned from paper charting to electronic record keeping (Consolo Software program) which started in June 2014 and officially implemented as of August 01, 2014. We are confident that through this software program, the office will avoid missing any notes from patient files from all disciplines including CHHAs, LVNs, RNs, MSW, etc. The electronic program also instantly notifies all personnel of their respective assignments in accordance with each patient's treatment plans and the computer retains all visits in the system as patients are seen.

3. AVH has been diligently notifying the County, with verbal and written report, within 24 hours after the evaluation assessment of a patient and on discharge or change in status. AVH maintains proper filing of written reports complete with copies of the fax confirmation pages. A clerical employee has been hired and given the responsibility to see that all faxed copies are maintained in file as proof that the report has been sent to the Case Managers.

Administrative Controls/Quality Control

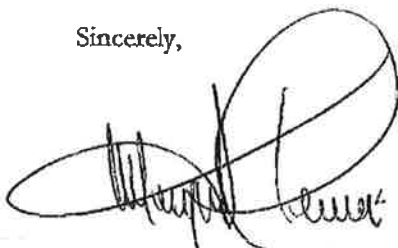
4. AVH maintains a comprehensive Quality Control Plan and conducts monthly QA for patient care, properly documented and filed. All insurance coverage is up to date and as per County Contract requirement. This is checked annually by the Administrator.

Personnel

5. AVH has employed a new staff member in charge of Human Resources to ensure pre-employment health screenings are conducted. No employee is able to start work without all the required titers and vaccinations required by the County.
6. Copies of health records are properly sorted and filed in each employee files for immediate reference.
7. Each AVH employees undergo competency evaluations on orientation, during the first 30 days and yearly thereafter. Competency evaluations are conducted by the immediate Supervisor and/or peers, properly filed in each employee records and maintained in the custody of the HR officer.
8. In-service trainings are conducted in AVH office, monthly and as needed, properly documented and signed by participants. This in-service includes all the County mandated training topics. These are currently on file in AVH office.

Thank you for the opportunity to present evidence of corrective actions to the findings of the Audit Department.

Sincerely,

A handwritten signature in black ink, appearing to read 'Margaret R. Lanam', with a large, stylized loop at the end.

Margaret R. Lanam, RN
Administrator / DOPCS
Angeles Vista Hospice

CC: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
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